

Mission statement of McKinleyville Community Services District:

“Provide McKinleyville with safe, adequate and reliable utility, lighting, open space, parks and recreation, and library services in an environmentally and fiscally responsible manner.”

**NOTICE IS HEREBY GIVEN THAT A SPECIAL MEETING OF THE
MCKINLEYVILLE COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS
WILL BE HELD AT:**

**McKinleyville Community Services District
Conference Room
1656 Sutter Road
McKinleyville, California**

**Tuesday, February 26, 2013
Time 6:00 P.M.**

AGENDA

A.1 CALL TO ORDER

A.2 ROLL CALL

A.3 PLEDGE OF ALLEGIANCE

A.4 ADDITIONS TO AGENDA

Items may be added to the Agenda in accordance with Section 54954.2(b)(2) of the Government Code (Brown Act), upon a determination by two-thirds vote of the members of the legislative body present at the time of the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the McKinleyville Community Services District after the Agenda was posted.

B. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS

*Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the McKinleyville Community Services District; however, any matter that requires action will be referred to staff for a report of action at a subsequent Committee or Board meeting. As to matters on the Agenda, an opportunity will be given to address the Board when the matter is considered. **Comments are limited to 3 minutes.** Letters should be used for complex issues.*

C. CONTINUED AND NEW BUSINESS

- C.1 Discussion of the Draft Capital Improvement Plan for the Parks
& General Fund, Fiscal Year Ending June 30, 2014 **Pg. 3**

C.2 Informational item, Technical, Managerial and Financial (TMF) tune-up **Pg. 8**

C.3 Consider approving update of MCSD Records Retention Policy adding "Claim" information to the policy **Pg. 18**

D. REPORTS

No specific action is required on these items, but the Board may discuss any particular item as required.

D.1. ACTIVE COMMITTEE REPORTS

No Committee Reports Scheduled

D.2. STAFF REPORTS

No Staff Reports Scheduled

E. BOARD MEMBERS' COMMENTS, ANNOUNCEMENTS, REPORTS AND AGENDA ITEM REQUESTS

F. CLOSED SESSION DISCUSSION

At any time during the regular session, the Board may adjourn to closed session to consider existing or anticipated litigation, liability claims, real property negotiations, license and permit determinations, threats to security, public employee appointments, personnel matters, evaluations and discipline, labor negotiations, or to discuss with legal counsel matters within the attorney-client privilege.

F.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION (California Government Code § 54954.5 and 54957) Title: Interim General Manager—Greg Orsini.

G. ADJOURNMENT

Posted 5:00 pm on February 25, 2013

McKinleyville Community Services District

BOARD OF DIRECTORS

February 26, 2013

TYPE OF ITEM: **INFORMATIONAL**

ITEM: C.1 **Discussion of the Draft Capital Improvement Plan for the Parks & General Fund, Fiscal Year Ending June 30, 2014**

PRESENTED BY: **Colleen Trask**

TYPE OF ACTION: **None**

Recommendation:

Review information provided and contact MCSD staff with any questions or clarification that you may have.

Discussion:

Attached is the draft of the Fiscal Year 2013-2014 Capital Improvement Program (CIP) covering the next ten fiscal years. The majority of budgeted expenditures for Parks and General fund are anticipated to be covered by assessments and user fees. The smaller projects are anticipated to be paid from operating funds. This will allow a more structured approach to future rate setting as these projects are undertaken.

The attached narrative further explains the underlying details. The Final CIP will be brought back to the Board for review and approval with the complete Fiscal Year 2013-2014 budget document in May/June 2013.

Alternatives:

Take Action

Fiscal Analysis:

See attached schedules.

Environmental Requirements:

Not applicable

Exhibits/Attachments

- Appendix A: Draft Capital Improvement Projects for the fiscal years ending June 30, 2014-2023 for Parks & General Fund
- Appendix B: Draft Budget Fiscal Year 2012-2013 CIP Narrative

McKinleyville Community Services District
General Fund (Parks & Recreation) Capital Improvement Projects
For the Fiscal Years Ending June 30, 2014 - 2023

		1	2	3	4	5	6	7	8	9	10
		June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
1.	Hiller Park & Sports Complex Projects										
	Totals:	0	5	5	5	5	5	6	6	6	6
2.	Pierson Park Projects										
	Totals:	0	0	0	0	0	0	0	0	0	0
3.	Azalea Hall Projects										
	Totals:	18	0	6	0	0	0	0	0	5	5
4.	McKinleyville Activity Center Projects										
	Totals:	20	5	5	5	5	15	10	6	6	6
5.	Other Park Projects & Equipment										
	Totals:	27	139	0	8	36	128	36	28	8	14
6.	Law Enforcement Facility Projects										
	Totals:	0	0	0	5	0	0	0	0	0	5
7.	McKinleyville Library Projects										
	Totals:	5	8	0	0	0	0	0	0	0	0
8.	Projects Funded With Measure B Renewal										
	Totals:	100	100	100	100	0	0	0	0	0	0
9.	Projects Contingent Upon Grant Funding										
	Totals:	0	0	0	0	0	0	0	0	0	0
10.	Projects Funded by Quimby & Other Funds										
	Totals:	30	0	0	0	0	0	0	0	0	0
Total Planned Capital Expenditures		200	257	116	123	46	148	52	40	25	36

Appendix B

The Capital Improvement Program Parks and General Fund Fiscal Year 2013-14

MCSD's Capital Improvement Program (CIP) is a multi-year plan that identifies capital assets to be purchased or constructed during a 10-year planning horizon. Additionally, the CIP identifies the year in which the capital asset purchase or construction is anticipated as well as the amount of funds expected to be spent.

Capital assets include tangible and intangible assets used in the operations of the District and that have an initial useful life extending beyond one year (i.e. land, improvements to land, easements, buildings, vehicles, machinery, equipment, infrastructure, etc.).

The CIP is updated annually with the first year representing the capital budget for the next fiscal year. A primary goal of the CIP is to provide MCSD with an orderly process for planning and budgeting for capital needs.

Another primary consideration in developing the CIP is to prioritize current and future needs to fit within the anticipated level of financial resources. In this way, the CIP will also assist MCSD in reviewing and evaluating facility rentals and program fees so that MCSD can maintain cash reserves and debt capacity to insure the long-term preservation of District assets. In FY 12/13, some of the previously deferred CIP projects have been started, with costs expected to accumulate over multiple fiscal years.

During FY 11/12 the Board approved a designated funds policy which included a capital asset repair and replacement reserve. The repair and replacement reserve is designed to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. The District recognizes that the repair and replacement reserve will only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future rates.

General Fund capital asset purchases and projects are significantly dependent upon property tax revenues and assessments. The Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities is being renewed in FY12/13. As Proposition 1A made clear, the State's ability to redirect property tax revenues make that annual revenue source less secure and predictable than previously thought. The State is again in a deficit position and is looking for more local revenues to balance the State's budget. Local property tax remains one of the few only revenue sources left along with redevelopment funds and higher fees.

Capital Improvement Program Project Discussion

UTILITY VEHICLES

In 1998, the Board adopted a Fleet Replacement Plan to insure that MCSD's aging fleet of service vehicles would be replaced in an approximately ten-year cycle. At present, the Parks Fund is planning to replace one utility truck this next fiscal year, with others being replaced later. The District has started to exchange some of the heavier utility vehicles with light compact trucks for savings in capital and operating costs.

BUILDING PROJECTS

With the successful passing of Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities, staff has begun the design for construction of a **Teen/Family center** attached to the McKinleyville Activity Center. The facility will include a large space that can be sectioned off, storage, offices, multi-purpose activity room, restrooms, and a commercial kitchen.

The parking lots at Azalea Hall and the McKinleyville Activity Center will be resurfaced in FY 13/14. The aging furnaces at Azalea Hall and at the Library are scheduled to be replaced. Staff has been awarded a matching grant to construct a covered picnic pavilion with group BBQ near the bocce ball courts at Pierson Park.

PARKS AND TRAILS PROJECTS

The implementation of Proposition 1A reduced the General Fund property tax receipts in previous years. This seriously limited the viability of future capital projects. Since that period the District has been able to build the reserves for matching funds for available parks grants.

Staff proposes to improve parking and river access on the newly acquired property purchased from Granite Construction along North Bank Road. Staff also proposes to create access and remove invasive and non-native plants and shrubs after the completion of the purchase of property at Washington and School Road from the McKinleyville Unified School District. If McKinleyville continues to grow as anticipated, other regular acquisitions of new parkland are planned throughout the 10-20 year planning horizon.

Staff has committed to greater use of MCSD's Quimby Funds, which are held in trust by the County, and will continue to pursue grant funding for new projects. These projects are in the budget, but are contingent upon successfully receiving grants.

SMALL EQUIPMENT, CONTINGENCY AND OTHER

Staff is planning on purchasing a new Saber floor scrubber for use at Azalea Hall and the McKinleyville Activity Center. Smaller and less expensive (more than \$500 but less than \$2,000) new equipment and emergency replacement of existing equipment cannot generally be anticipated. These are considered expenditures, rather than capital assets, and will be included in the repairs/maintenance/supplies line of the Parks Budget.

Note on Appendix A – Parks & General Fund Capital Improvement Program

Appendix A contains the preliminary summaries of the Parks and General Fund Capital Improvement Program's planned capital expenditures (in thousands: 10 = \$10,000). The planning horizon for the Program is 10 years. It should be noted that all estimated replacement costs are in current year dollars, since future inflation is unknown. Since the CIP is a dynamic plan that is updated annually, future costs will be regularly evaluated.

McKinleyville Community Services District

BOARD OF DIRECTORS

February 26, 2013

TYPE OF ITEM: **INFORMATIONAL**

ITEM: C.2. Technical, Managerial and Financial (TMF) tune-up

PRESENTED BY: James Henry, Acting Operations Director

TYPE OF ACTION: None

Recommendation:

Staff recommends that the Board review the TMF tune-up for Public Water Systems, take public comment, recommend edits if any and provide staff with direction to submit to the appropriate agency.

Discussion:

McKinleyville Community Services District prides itself on customer service and meeting the needs of each citizen by serving quality water. Our goal is to proactively seek feedback which may be used to identify areas of improvement, or simply a snapshot of how we are perceived. As you can see by the answers to the questions, the District is expecting a positive IDP due to the highly trained and certified staff along with an excellent maintenance program.

Alternatives:

Staff's analysis includes the following potential alternative:

- Take no action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments

- Attachment A – Technical, Managerial and Financial (TMF) tune-up IDP



Technical, Managerial and Financial (TMF) Tune-up for Public Water Systems (PWS)

[FAQ/Help](#)**Free Training****Free Assistance**

Welcome to the TMF Tune-up!

This TMF Tune-up is intended to assist you in determining the technical, managerial, and financial (TMF) capacities of your public water system.

Upon completion of this TMF Tune-up, an individualized development plan (IDP) will be designed for your water system. This IDP will identify available training and assistance intended to increase your system's TMF capacity. The goal is to help your water system ensure that it will continue to provide safe water that meets all drinking water standards over an extended period of time.

You are encouraged to print the TMF Tune-up and review its content prior to entering your system information. The partially completed information will be saved for only 30 days.

[Printable TMF Tune-up Blank Form](#)

Please use the navigation bars at the top or bottom of the page for navigating. Do not use the Back and Forward functions on your browser's navigation tools, or your entries may be lost.

[Sign in >](#)

Drinking Water Capacity Development Program
California Department of Public Health
P.O. Box 997377, MS 7418
Sacramento, CA 95899-7377

Physical: 1616 Capitol Avenue, Sacramento, CA
Phone: (916) 449-5600 Fax: (916) 449-5656

For technical issues with this form, please contact
Rob Coman
Phone: (530) 754-6212
Email: rmcoman@ucdavis.edu

Web: www.cdph.ca.gov/certlic/drinkingwater

**TMF Tune-up
For Public Water Systems**

Form ID CD2006-1

Name of System MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

County HUMBOLDT

Name of Person Completing the Survey JAMES HENRY

Contact Phone Number 707-839-3251

PWS ID: 1210016
[This 7-digit number is available from an inspection report or from the regulating agency.]

Regulating Agency CDPH

Water System Email Address OPERATIONS@MCKINLEYVILLECSD.COM

1. What are the sources of raw water for your water system? (Check any that apply.)
- ☐ Groundwater from a well
 - ☐ Groundwater from a spring
 - ☐ Surface water (includes groundwater under the direct influence of surface water)
 - ☐ Purchased water requiring treatment
 - ☒ Purchased water from another public water system which requires no further treatment
 - ☐ Don't know
2. Does your water system have an emergency or supplemental water supply available such as an inter-tie with a neighboring system?
- ☐ Yes
 - ☒ No IN PROCESS
 - ☐ Don't know
3. If your water system uses surface water such as a river, stream, lake, reservoir, or ditch, does your water system have a water right for this source from the State Water Resources Control Board or a contract with a State or federal agency?
- ☐ Yes
 - ☐ No
 - ☒ Does not apply, use only groundwater
 - ☐ Don't know
- If yes, do you know the type of water right or contract?
- ☐ Riparian
 - ☐ Pre-1914 appropriation
 - ☐ Adjudicated
 - ☐ Registration, permit, or license
 - ☐ Contract for State or federal water
 - ☐ Other
 - ☐ Don't know

TMF Tune-up For Public Water Systems

4. Does your water system have either estimates or actual records of the water needed to meet both annual and maximum day demand?
- ☒ Actual records
 - ☐ Estimates
 - ☐ No records
 - ☐ Don't know
5. Does your water system keep records on how much drinking water it produces each year?
- ☒ Yes
 - ☐ No
 - ☐ Have no means to measure source production
 - ☐ Don't know
6. In the previous three (3) years, has your water system experienced any source outages lasting more than eight (8) hours due to pump failures, electrical power outages, or other causes?
- ☐ Yes
 - ☒ No
 - ☐ Don't know
7. In the previous ten (10) years, have you imposed any water use restrictions on your customers due to drought, inadequate source capacity, moratoriums on service connections placed on your water system by a regulatory agency, or any other reasons?
- ☐ Yes
 - ☒ No
 - ☐ Don't know
- If yes, has the reason for such restrictions been addressed and the restriction lifted?
- ☐ Yes
 - ☐ No
8. If you use groundwater from a well, what is the approximate age of your oldest operating well?
- ☐ Less than 5 years
 - ☐ 5 to 15 years
 - ☐ More than 15 and less than 25 years
 - ☐ 25 years or more
 - ☒ Does not apply
 - ☐ Don't know
- Is your oldest groundwater source the primary source of water for your system?
- ☐ Yes
 - ☐ No
 - ☐ Don't know
9. If your water system uses a surface water source, have your treatment facilities been upgraded to meet the current requirements for surface water treatment?
- ☐ Yes
 - ☐ No
 - ☐ Using untreated surface water
 - ☒ Does not apply
 - ☐ Don't know

TMF Tune-up For Public Water Systems

10. If your water system uses a surface water source, have you completed a watershed sanitary survey in the last five (5) years?
- ☒ Yes *BY HEMWD*
 - ☐ No
 - ☐ Does not apply
 - ☐ Don't know
11. Are you currently treating any of your groundwater sources in order to meet a primary drinking water standard?
- ☐ Yes
 - ☐ No
 - ☒ Does not apply
 - ☐ Don't know
12. If your water system treats its groundwater or surface water, does it use the services of a Certified Water Treatment Plant Operator?
- ☒ Do not treat water
 - ☐ Yes, water system employee
 - ☐ Yes, contract operator
 - ☐ No
 - ☐ Don't know
- What grade?
- ☒ T1
 - ☒ T2
 - ☐ T3
 - ☐ T4
 - ☐ T5
 - ☐ Don't know
13. Has your water system exceeded a drinking water standard for a chemical or microbial contaminant in the previous three (3) years?
- ☐ Yes
 - ☒ No
 - ☐ Don't know
14. Has your water system forgotten to monitor or report the results of a required chemical or microbial analysis within the previous three (3) years?
- ☐ Yes
 - ☒ No
 - ☐ Don't know
15. Does your water system have an emergency or stand-by electrical power source sufficient to run source pumps, treatment works, and other critical system components
- ☒ Yes
 - ☐ No
 - ☐ Don't know
16. Does your water system have accurate maps or as-built drawings of the complete transmission, storage, and control features for the water distribution system that indicate the sizes and locations of sources, pipes, control and isolation valves, pressure and air-relief valves, booster pump stations, and other distribution components?
- ☒ Yes
 - ☐ No
 - ☐ Don't know

TMF Tune-up For Public Water Systems

17. Does your water system have a program to regularly inspect and exercise distribution control and isolation valves?

- ☒ Yes
- ☐ No
- ☐ Don't know

18. Does your water system have a regular program to flush water mains and dead-end lines in your distribution system?

- ☐ Yes
- ☒ No ONLY WHEN WE RECEIVE WATER QUALITY COMPLAINTS OR DURING ANNUAL FIRE HYDRANT INSPECTION
- ☐ Don't know

19. Does your water system have the services of Certified Distribution Operator?

- ☐ No, Transient-Noncommunity System
- ☒ Yes, system employee
- ☐ Yes, contract operator
- ☐ No
- ☐ Don't know

What grade?

- | | |
|-------------------------------------|-------------------------------------|
| <input checked="" type="radio"/> D1 | <input checked="" type="radio"/> D4 |
| <input checked="" type="radio"/> D2 | <input type="radio"/> D5 |
| <input checked="" type="radio"/> D3 | <input type="radio"/> Don't know |

20. What percentage of your total water production is lost to leaks or other unaccounted water losses?

- ☒ Less than 15%
- ☐ 15% to 30%
- ☐ More than 30%
- ☐ Don't know

21. Does your water system have an active cross-connection control program?

- ☒ Yes
- ☐ No
- ☐ Don't know

22. If your water system could not pump or treat water from your sources, how long do you estimate that your water system's current storage capacity could sustain your users during normal demand conditions?

- ☐ Less than 4 hours
- ☐ 4 to 8 hours
- ☐ More than 8 and less than 24 hours
- ☒ 24 hours or more
- ☐ Pressure tank only; no significant storage when unable to pump water
- ☐ Don't know

TMF Tune-up For Public Water Systems

23. What is the age of your distribution system? Use the table below to estimate the percentage of your distribution system that is within the age ranges provided. Please check to see that the total adds up to 100%. If you do not know, check that box and leave the top portion blank.

Age of Pipes and Valves	Percentage of Distribution System
Less than 5 years	4 %
5 years or more and less than 15 years	10 %
15 years or more and less than 25 years	12 %
25 years or more and less than 50 years	74 %
50 years or more	0 %
Don't know <input type="checkbox"/>	

24. What types of water storage tanks does your water system have? If more than three (3), list only your three (3) oldest tanks.

Type	Age	Capacity	Condition
WELDED STEEL	40	1.5, 1.5, 1, 1 MILLION GALLONS	FAIR - GOOD
REDWOOD	40	100,000 & 150,000 GALLONS	FAIR - GOOD

Condition Key

Good -- Conditions around the tank are generally dry, the tank surfaces are free of rust or corrosion, and the tank is structurally sound.

Fair -- The area around the tank is generally dry and any leaks are minor or easily repairable. The surface of the tank shows some signs of rust or deterioration, but the tank is otherwise sound.

Poor -- The area around the tank is wet enough to promote the growth of algae or moss, the tank has significant leaks, rust has caused significant surface pitting, or the tank has deteriorated to the point where it cannot be easily repaired.

25. What type of ownership best describes your water system?

- ☐ Federal government
- ☐ State government
- ☒ Local government
- ☐ Regulated by the Public Utility Commission
- ☐ Mutual water company
- ☐ Sole ownership
- ☐ Partnership
- ☐ User group or association
- ☐ Corporation (non-profit)
- ☐ Corporation (for profit)
- ☐ Don't know

TMF Tune-up For Public Water Systems

26. What type of governance best describes your water system?
- ☒ Elected board or council
 - ☐ Appointed
 - ☐ Sole ownership
 - ☐ Don't know
27. Does your system have organizational charts and duty statements for elected or appointed positions that describe the roles and reporting relationships of key water system management personnel?
- ☒ Yes
 - ☐ No
 - ☐ No, sole owner or proprietor
 - ☐ Don't know
28. Does your water system provide regular training for operators and other employees in order to enable them to maintain their skills and to provide them with information on changes in the Safe Drinking Water Act?
- ☒ Yes
 - ☐ No
 - ☐ Don't know
29. Does your governing board or ownership review a monthly or quarterly summary of revenues and expenses?
- ☒ Yes
 - ☐ No
 - ☐ Don't know
30. If your water system serves a community, have you adopted formal policies on payments, collections, water rates, connection charges, and customer complaints?
- ☒ Yes
 - ☐ No
 - ☐ Does not apply; not a community water system
 - ☐ Don't know
31. Does your water system have written employee personnel policies and job descriptions signed by employees?
- ☒ Yes
 - ☐ No
 - ☐ No paid staff
 - ☐ No, sole owner
 - ☐ No, all work is performed under contract
 - ☐ Don't know
32. Does your water system have a written plan for the operation and maintenance of system facilities that includes treatment equipment, pumps, line flushing, inspecting and exercising control valves, inspecting sources and storage tanks, and other operation and maintenance activities?
- ☒ Yes
 - ☐ No
 - ☐ Don't know
33. Does your water system have a Disaster and Emergency Response Plan?
- ☒ Yes
 - ☐ No
 - ☐ Don't know

TMF Tune-up For Public Water Systems

34. Has your water system been issued an administrative citation, administrative order, or notice of violation in the last three (3) years?
- ☐ Yes
☒ No
☐ Don't know
35. Has your water system been inspected by the DHS District Office or Local Primacy Agency (local environmental health department) in the last three (3) years?
- ☒ Yes
☐ No
☐ Don't know
36. Does your water system operate under a prepared annual budget?
- ☒ Yes
☐ No
☐ Don't know
37. Does your water system have an audit committee or do you hire outside auditors to regularly review your financial records?
- ☒ Yes
☐ No
☐ No, sole owner or proprietor
☐ Don't know
38. Does your water system have a financial plan that includes setting aside funds ahead of time for capital improvements such as the replacement of outdated sources, storage tanks, pipes, and other equipment?
- ☒ Yes
☐ No
☐ Fund through user fees or assessments at the time of replacement
☐ Don't know
39. Does your water system set aside financial reserves to cover unanticipated costs or revenue shortfalls?
- ☒ Yes
☐ No
☐ Don't know
40. In the last five (5) years has your water system postponed for financial reasons any preventative maintenance or the replacement of major system components such as sources, treatment plants, storage tanks, or distribution lines?
- ☐ Yes
☒ No
☐ Don't know
41. What is the primary method that your water system uses to charge for the water it provides to customers?
- ☒ Metered rate
☐ Flat rate
☐ Property assessment or other tax
☐ Owner association dues
☐ Included in rent or facility use fee
☐ Business overhead
☐ Don't know

TMF Tune-up For Public Water Systems

42. What is your average monthly charge to a customer obtaining water from your water system? If your water system's user charges are included in rent, owner association dues, or similar user fees, estimate the portion of those charges used to support your water system.
- ☐ \$15 per month or less
 - ☐ More than \$15 and less than \$25 per month
 - ☒ \$25 or more and less than \$50 per month
 - ☐ \$50 or more and less than \$75 per month
 - ☐ \$75 per month or more
 - ☐ Business expense; no user charges for water (Non community systems only)
 - ☐ Don't know
43. When was the last time your water system calculated the costs of providing water and/or adjusted your water rates?
- ☒ Less than 3 years ago
 - ☐ 3 to 5 years ago
 - ☐ More than 5 and less than 10 years ago
 - ☐ 10 years ago or more
 - ☐ Don't know
44. Does your water system's current rate structure produce income to cover these items? (Check all that apply.)
- ☒ Current expenses
 - ☒ Replacement costs
 - ☒ Reserves
 - ☒ Loan repayments
 - ☐ None of the above
 - ☐ Don't know
45. Has your governing board reviewed the survey before you submitted it?
- ☐ Yes
 - ☐ No
 - ☐ Don't know

If you have any questions, please call George Faggella at (916) 449-5652.

**George Faggella
Capacity Development
Technical Programs Branch
Drinking Water and Environmental Management Division
California Department of Public Health
1616 Capital Avenue, MS 7418
Sacramento, CA 95899-7377**

McKinleyville Community Services District

BOARD OF DIRECTORS

February 26, 2013

TYPE OF ITEM: **ACTION**

ITEM: C.3. **Consider approving update of McKinleyville Community Services District (MCSD) Records Retention Policy adding “Claim” information to the policy.**

PRESENTED BY: **Kathy Wilson, Board Secretary**

TYPE OF ACTION: **Voice Vote**

Recommendation:

Staff recommends that the Board review the update adding to the McKinleyville Community Service District (MCSD) Record Retention Policy “CLAIM” information, take public comment, make edits where appropriate, provide staff with direction and approve update. If approved, “claims” will be added to the “Current + 5 years category” keeping with the State guidelines.

Discussion:

The MCSD Records Retention Policy had not specifically listed claims information. Government code § 60201(b)(2) allows a Special District to adopt the guidelines provided by the Secretary of State pursuant to § 12236, that classifies all of the district’s records by category, and establishes a standard protocol for destruction or disposition of records. The Secretary of State guidelines require that records regarding claims be retained for 5 years following closure of the claim.

These guidelines are fairly specific as to required time, but the Board could consider retaining these records longer as they have done in the past with Board Meeting Audio. We are presenting this to you for your consideration.

Alternatives:

Staff’s analysis includes the following potential alternative:

- Take no action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments

- Attachment A – Updated MCSD Records Retention Policy

MCSO RECORDS RETENTION POLICY

PERMANENT

1. Capital Acquisitions, Deed, Bills of Sale, Easements
2. Audited Financial Statements
3. Minutes of Board Meetings
4. Resolutions
5. Ordinances
6. Wastewater Treatment Plant Annual Reports
7. Records related to the Public Employees Retirement System, Social Security and State Disability Insurance
8. Records related to District Formation, change of organization and reorganization
9. New Service Installation Orders
10. Board Agendas and Board Packets
11. Development/Subdivision files

CURRENT YEAR + 9 YEARS

1. Detailed General Ledger Reports
2. Paid Accounts Payable Vouchers
3. Wastewater Treatment Plant Operating Data (retained at the Treatment Plant)
4. Contracts

CURRENT YEAR + 6 YEARS

1. Payroll Reports
2. Time Sheets

TERMINATION + 6 YEARS

1. Personnel Files-information related to length of employment and salary will be maintained indefinitely.

CURRENT YEAR + 5 YEARS

1. Cash Receipt Books
2. Claims

MEASURE INFORMATION (I.E. Measure B)

1. Retain for three (3) years after Measure end.

CURRENT YEAR + 2 YEARS

1. Customer Correspondence
2. Electronic Communications
3. Daily Service Orders
4. Billing Registers

1 YEAR

1. Audio Recordings will be maintained for one year and after that time periodically transferred to the McKinleyville Library.

6 MONTHS

1. Utility Billing Payment Stubs

PARK AND RECREATION

CURRENT YEAR + 4 YEARS

1. Liability Forms

CURRENT YEAR + 2 YEARS

1. Billing Forms
2. Daily Balance Forms
3. Open Space Maintenance Reports